

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1957 - HB 1682

March 16, 2009

SUMMARY OF BILL: Prohibits students from spending more than one hour on a school bus in transit to and from school. Morning and afternoon routes are treated as separate time frames. Currently the limit is one and one-half hours.

ESTIMATED FISCAL IMPACT:

**Increase Local Expenditures - \$38,720,200/One-Time*
\$12,930,100/Recurring***

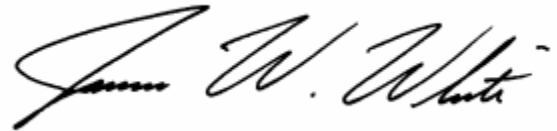
Assumptions:

- No impact on the BEP formula. All costs will be incurred by local education agencies (LEAs).
- Half of LEAs will be affected by the provisions of this bill. Affected LEAs will either buy more buses, contract for more buses, or hire more drivers, or run more routes.
- The total expenditures for transportation is \$310,321,648. Half of that is \$155,160,824. Since the maximum route time is decreasing by one-third, this cost will go up one-third (\$206,881,099). Total cost for one-half of the LEAs with a one-third increase is \$362,041,923.
- Total increase in local expenditures will be approximately \$51,720,275 (362,041,923 - \$310,321,648).
- It is estimated that approximately 75 percent or \$38,790,206 will be one-time expenditures for the purchasing of new buses, additional contracting, and adding new routes.
- Approximately 25 percent or \$12,930,069 will be recurring costs for maintenance, driver salary, or related items.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

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